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*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners*



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December 31, 2013

TO: Supervisor Don Knabe, Chairman  
Supervisor Mark Ridley-Thomas  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.  
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO APPROVE A PERCENTAGE INCREASE EXCEEDING 10 PERCENT OF THE TOTAL AGREEMENT AMOUNT OF AGREEMENT WITH UNIVERSITY HEALTHSYSTEM CONSORTIUM**

This is to advise the Board that the Department of Health Services (DHS) is scheduling a Board letter for the January 14, 2014 agenda that requests approval of an Agreement with the University HealthSystem Consortium (UHC) for a patient safety and risk management system and to delegate authority for future annual maximum obligation increases of no more than 20 percent.

In accordance with Board of Supervisors' Policy 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over 10 percent.

**BACKGROUND**

Since 1997, DHS has been a member of UHC, a not-for-profit member alliance of academic medical centers. In 2006, DHS and the Department of Public Health (DPH) implemented Patient Safety Net (PSN), a patient safety event reporting system, provided by UHC, for reporting patient safety events at DHS facilities. The said agreement expires on June 30, 2014.

DHS intends to replace this existing system, with Safety Intelligence (SI), a software platform with expanded functionality in the form of additional modules, as well as enhancements to its event reporting module. This platform will provide the necessary tools to implement proactive risk management and mitigation strategies and offer appropriate remedies to unsafe events at DHS facilities. DHS is acquiring 2 additional modules: claims management and complaints handling. Moreover, the Board-mandated Legal Exposure Reduction Committee has recommended that SI be used by all Departments that provide medical services, to ensure County-wide standardization and

streamlining of business practices related to safety-related incidents. The Chief Executive Office is actively working and coordinating this effort with the appropriate departments, to expand usage of this system. SI will be used at DHS, DPH, Department of Mental Health (DMH), Sheriff's Department (SD) and Fire Department (FD) facilities that provide medical services.

### **JUSTIFICATION**

The recommendation to increase the maximum obligation of the Agreement by no more than 20 percent above the Fiscal Year 2014-15 annual maximum obligation will allow the purchase of additional modules by the departments (eg. DMH, SD, and FD) and to obtain professional services, custom programming, and training as needed.

Board policy generally allows delegated authority to increase the maximum obligation of an agreement up to 10 percent. DHS has negotiated pricing for additional modules for departments in the Agreement. The 20 percent increase will allow flexibility to DHS to acquire additional modules for the departments depending on their specific needs and requirements, which will increase the Agreement's maximum obligation for the purchase of the modules and professional services associated with implementation of an IT system. The increase will also provide flexibility to add other County departments upon successful implementation of the system. This delegated authority will ensure that the Agreement may be amended timely to meet the needs of existing departments and future ones.

### **NOTIFICATION TIMELINE**

Consistent with the procedures of Board Policy 5.120, we are informing the Board of our intention to proceed with the filing of the Board letter with Executive Office of the Board for the January 14, 2014 Board Meeting.

If you have any questions or need additional information, please let me know, or your staff may contact Kathy Hanks, at (213) 240-7819 or [khanks@dhs.lacounty.gov](mailto:khanks@dhs.lacounty.gov).

MHK:jl

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Chief Information Office